



Rep. Robyn Gabel

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1 AMENDMENT TO HOUSE BILL 3185

2 AMENDMENT NO. _____. Amend House Bill 3185 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Section 6.11 as follows:

6 (5 ILCS 375/6.11)

7 Sec. 6.11. Required health benefits; Illinois Insurance
8 Code requirements. The program of health benefits shall provide
9 the post-mastectomy care benefits required to be covered by a
10 policy of accident and health insurance under Section 356t of
11 the Illinois Insurance Code. The program of health benefits
12 shall provide the coverage required under Sections 356g,
13 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
15 356z.14, 356z.15, 356z.17, and 356z.22 of the Illinois
16 Insurance Code. The program of health benefits must comply with

1 Sections 155.22a, 155.37, 355b, 355c, and 356z.19 of the
2 Illinois Insurance Code.

3 Rulemaking authority to implement Public Act 95-1045, if
4 any, is conditioned on the rules being adopted in accordance
5 with all provisions of the Illinois Administrative Procedure
6 Act and all rules and procedures of the Joint Committee on
7 Administrative Rules; any purported rule not so adopted, for
8 whatever reason, is unauthorized.

9 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
10 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

11 Section 10. The Counties Code is amended by changing
12 Section 5-1069.3 as follows:

13 (55 ILCS 5/5-1069.3)

14 Sec. 5-1069.3. Required health benefits. If a county,
15 including a home rule county, is a self-insurer for purposes of
16 providing health insurance coverage for its employees, the
17 coverage shall include coverage for the post-mastectomy care
18 benefits required to be covered by a policy of accident and
19 health insurance under Section 356t and the coverage required
20 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
21 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
22 356z.14, 356z.15, and 356z.22 of the Illinois Insurance Code.
23 The coverage shall comply with Sections 155.22a, 355b, 355c,
24 and 356z.19 of the Illinois Insurance Code. The requirement

1 that health benefits be covered as provided in this Section is
2 an exclusive power and function of the State and is a denial
3 and limitation under Article VII, Section 6, subsection (h) of
4 the Illinois Constitution. A home rule county to which this
5 Section applies must comply with every provision of this
6 Section.

7 Rulemaking authority to implement Public Act 95-1045, if
8 any, is conditioned on the rules being adopted in accordance
9 with all provisions of the Illinois Administrative Procedure
10 Act and all rules and procedures of the Joint Committee on
11 Administrative Rules; any purported rule not so adopted, for
12 whatever reason, is unauthorized.

13 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
14 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

15 Section 15. The Illinois Municipal Code is amended by
16 changing Section 10-4-2.3 as follows:

17 (65 ILCS 5/10-4-2.3)

18 Sec. 10-4-2.3. Required health benefits. If a
19 municipality, including a home rule municipality, is a
20 self-insurer for purposes of providing health insurance
21 coverage for its employees, the coverage shall include coverage
22 for the post-mastectomy care benefits required to be covered by
23 a policy of accident and health insurance under Section 356t
24 and the coverage required under Sections 356g, 356g.5,

1 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
2 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, and 356z.22 of the
3 Illinois Insurance Code. The coverage shall comply with
4 Sections 155.22a, 355b, 355c, and 356z.19 of the Illinois
5 Insurance Code. The requirement that health benefits be covered
6 as provided in this is an exclusive power and function of the
7 State and is a denial and limitation under Article VII, Section
8 6, subsection (h) of the Illinois Constitution. A home rule
9 municipality to which this Section applies must comply with
10 every provision of this Section.

11 Rulemaking authority to implement Public Act 95-1045, if
12 any, is conditioned on the rules being adopted in accordance
13 with all provisions of the Illinois Administrative Procedure
14 Act and all rules and procedures of the Joint Committee on
15 Administrative Rules; any purported rule not so adopted, for
16 whatever reason, is unauthorized.

17 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
18 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

19 Section 20. The School Code is amended by changing Section
20 10-22.3f as follows:

21 (105 ILCS 5/10-22.3f)

22 Sec. 10-22.3f. Required health benefits. Insurance
23 protection and benefits for employees shall provide the
24 post-mastectomy care benefits required to be covered by a

1 policy of accident and health insurance under Section 356t and
2 the coverage required under Sections 356g, 356g.5, 356g.5-1,
3 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
4 356z.13, 356z.14, 356z.15, and 356z.22 of the Illinois
5 Insurance Code. Insurance policies shall comply with Section
6 356z.19 of the Illinois Insurance Code. The coverage shall
7 comply with Sections 155.22a, ~~and~~ 355b, and 355c, of the
8 Illinois Insurance Code.

9 Rulemaking authority to implement Public Act 95-1045, if
10 any, is conditioned on the rules being adopted in accordance
11 with all provisions of the Illinois Administrative Procedure
12 Act and all rules and procedures of the Joint Committee on
13 Administrative Rules; any purported rule not so adopted, for
14 whatever reason, is unauthorized.

15 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
16 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

17 Section 25. The Illinois Insurance Code is amended by
18 changing Section 356z.16 and by adding Section 355c as follows:

19 (215 ILCS 5/355c new)

20 Sec. 355c. Confidential services.

21 (a) As used in this Section:

22 "Claim-related information" means an explanation of
23 benefits notice, information about an appointment,
24 including a confirmation and a reminder, notice of an

1 adverse benefit determination, an insurer's request for
2 additional information regarding a claim, a notice of a
3 contested claim, the name and address of a provider, a
4 description of services provided and other visit
5 information, and any written, oral, or electronic
6 communication from an insurer to a policyholder,
7 certificate holder, or covered individual that contains
8 personal health information.

9 "Confidential communications request" means a request
10 from a covered individual to an insurer that communications
11 related to confidential services be sent directly to the
12 covered individual at a specified mail or electronic mail
13 address or specified telephone number designated by the
14 covered individual and that the insurer refrain from
15 sending communications concerning the covered individual
16 to the policyholder or certificate holder.

17 "Confidential services" means any health care service
18 that the recipient of the service is able to consent to
19 under State or federal law.

20 "Personal health information" means information or
21 data created by or derived from a provider about an
22 individual that relates to the past, present, or future
23 health condition of the individual, the provision of health
24 care to the individual, a request for the provision of
25 health care to the individual, or the cost of or payment
26 for health care provided to the individual.

1 (b) An insurer that issues, delivers, amends, or renews an
2 individual or group policy of accident and health insurance on
3 or after the effective date of this amendatory Act of the 99th
4 General Assembly:

5 (1) shall accommodate a confidential communication
6 request by a person covered by a policy issued by the
7 insurer;

8 (2) may not reveal in any communication to a
9 policyholder or certificate holder personal health
10 information about confidential services that are subject
11 to a confidential communication request;

12 (3) shall send any communication regarding
13 confidential services subject to a confidential
14 communication request directly to the covered individual
15 who sought or received the services;

16 (4) shall permit any covered individual who received
17 confidential services to submit a confidential
18 communications request;

19 (5) shall update a covered individual on the status of
20 implementing a confidential communications request upon
21 the covered individual's inquiry; and

22 (6) shall notify all covered individuals in a health
23 benefit policy offered or administered by the insurer about
24 a covered individual's right under this Section to make a
25 confidential communications request and the insurer's duty
26 under this Section to provide communications regarding

1 confidential services only to the covered individual who
2 sought or received the services.

3 (c) The procedure adopted by an insurer of covered
4 individuals to make confidential communications requests:

5 (1) must use the form described in subsection (e) of
6 this Section;

7 (2) may not require the covered individual to explain
8 why the covered individual is requesting confidential
9 communications;

10 (3) shall ensure that the confidential communications
11 request remains in effect until the covered individual
12 revokes the request in writing or submits a new
13 confidential communications request;

14 (4) shall ensure that the confidential communications
15 request is acted upon and implemented by the insurer not
16 later than 7 days after receipt of a request by electronic
17 means or 14 days after receipt of a request in hard copy;

18 (5) must include a insurer's immediate acknowledgement
19 to a covered individual by mail, telephone, or electronic
20 means of receipt by the insurer of a confidential
21 communications request;

22 (6) may not require a covered individual to waive any
23 right to limit disclosure under this Section as a condition
24 of eligibility for or coverage under an accident and health
25 insurance policy; and

26 (7) must be easy to understand and to complete.

1 (d) A provider may make an arrangement with a covered
2 individual for the covered individual to pay to the provider
3 any cost-sharing required under the policy and shall
4 communicate the arrangement to the insurer.

5 (e) The Department shall develop and make available to the
6 public a standardized form for a covered individual to use to
7 make a confidential communications request. The Department
8 shall encourage providers to clearly display the form and make
9 it available to patients. The form must, at a minimum, allow a
10 covered individual to:

11 (1) provide the name and address of the covered
12 individual making the request;

13 (2) provide a description of the type of information
14 and type of services that should not be disclosed;

15 (3) indicate whether communications should be withheld
16 by the insurer or should be redirected to a specified mail
17 or electronic mail address or specified telephone number;
18 and

19 (4) designate a telephone number or mail or electronic
20 mail address for the insurer to contact the covered
21 individual if additional information or clarification is
22 necessary to process the confidential communications
23 request.

24 (f) The Department shall work with insurers and other
25 stakeholders to develop effective systems to protect the
26 confidentiality of personal health information and to ensure

1 that plans communicate directly with a covered individual
2 regarding confidential services sought or received by the
3 covered individual.

4 (215 ILCS 5/356z.16)

5 Sec. 356z.16. Applicability of mandated benefits to
6 supplemental policies. Unless specified otherwise, the
7 following Sections of the Illinois Insurance Code do not apply
8 to short-term travel, disability income, long-term care,
9 accident only, or limited or specified disease policies: 355b,
10 355c, 356b, 356c, 356d, 356g, 356k, 356m, 356n, 356p, 356q,
11 356r, 356t, 356u, 356w, 356x, 356z.1, 356z.2, 356z.4, 356z.5,
12 356z.6, 356z.8, 356z.12, 356z.14, 356z.19, 356z.21, 364.01,
13 367.2-5, and 367e.

14 (Source: P.A. 97-91, eff. 1-1-12; 97-282, eff. 8-9-11; 97-592,
15 eff. 1-1-12; 97-813, eff. 7-13-12; 97-972, eff. 1-1-13; 98-189,
16 eff. 1-1-14.)

17 Section 30. The Health Maintenance Organization Act is
18 amended by changing Section 5-3 as follows:

19 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

20 Sec. 5-3. Insurance Code provisions.

21 (a) Health Maintenance Organizations shall be subject to
22 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
23 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,

1 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
2 355b, 355c, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,
3 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,
4 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19,
5 356z.21, 356z.22, 364.01, 367.2, 367.2-5, 367i, 368a, 368b,
6 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
7 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
8 subsection (2) of Section 367, and Articles IIA, VIII 1/2, XII,
9 XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois
10 Insurance Code.

11 (b) For purposes of the Illinois Insurance Code, except for
12 Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health
13 Maintenance Organizations in the following categories are
14 deemed to be "domestic companies":

15 (1) a corporation authorized under the Dental Service
16 Plan Act or the Voluntary Health Services Plans Act;

17 (2) a corporation organized under the laws of this
18 State; or

19 (3) a corporation organized under the laws of another
20 state, 30% or more of the enrollees of which are residents
21 of this State, except a corporation subject to
22 substantially the same requirements in its state of
23 organization as is a "domestic company" under Article VIII
24 1/2 of the Illinois Insurance Code.

25 (c) In considering the merger, consolidation, or other
26 acquisition of control of a Health Maintenance Organization

1 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

2 (1) the Director shall give primary consideration to
3 the continuation of benefits to enrollees and the financial
4 conditions of the acquired Health Maintenance Organization
5 after the merger, consolidation, or other acquisition of
6 control takes effect;

7 (2) (i) the criteria specified in subsection (1) (b) of
8 Section 131.8 of the Illinois Insurance Code shall not
9 apply and (ii) the Director, in making his determination
10 with respect to the merger, consolidation, or other
11 acquisition of control, need not take into account the
12 effect on competition of the merger, consolidation, or
13 other acquisition of control;

14 (3) the Director shall have the power to require the
15 following information:

16 (A) certification by an independent actuary of the
17 adequacy of the reserves of the Health Maintenance
18 Organization sought to be acquired;

19 (B) pro forma financial statements reflecting the
20 combined balance sheets of the acquiring company and
21 the Health Maintenance Organization sought to be
22 acquired as of the end of the preceding year and as of
23 a date 90 days prior to the acquisition, as well as pro
24 forma financial statements reflecting projected
25 combined operation for a period of 2 years;

26 (C) a pro forma business plan detailing an

1 acquiring party's plans with respect to the operation
2 of the Health Maintenance Organization sought to be
3 acquired for a period of not less than 3 years; and

4 (D) such other information as the Director shall
5 require.

6 (d) The provisions of Article VIII 1/2 of the Illinois
7 Insurance Code and this Section 5-3 shall apply to the sale by
8 any health maintenance organization of greater than 10% of its
9 enrollee population (including without limitation the health
10 maintenance organization's right, title, and interest in and to
11 its health care certificates).

12 (e) In considering any management contract or service
13 agreement subject to Section 141.1 of the Illinois Insurance
14 Code, the Director (i) shall, in addition to the criteria
15 specified in Section 141.2 of the Illinois Insurance Code, take
16 into account the effect of the management contract or service
17 agreement on the continuation of benefits to enrollees and the
18 financial condition of the health maintenance organization to
19 be managed or serviced, and (ii) need not take into account the
20 effect of the management contract or service agreement on
21 competition.

22 (f) Except for small employer groups as defined in the
23 Small Employer Rating, Renewability and Portability Health
24 Insurance Act and except for medicare supplement policies as
25 defined in Section 363 of the Illinois Insurance Code, a Health
26 Maintenance Organization may by contract agree with a group or

1 other enrollment unit to effect refunds or charge additional
2 premiums under the following terms and conditions:

3 (i) the amount of, and other terms and conditions with
4 respect to, the refund or additional premium are set forth
5 in the group or enrollment unit contract agreed in advance
6 of the period for which a refund is to be paid or
7 additional premium is to be charged (which period shall not
8 be less than one year); and

9 (ii) the amount of the refund or additional premium
10 shall not exceed 20% of the Health Maintenance
11 Organization's profitable or unprofitable experience with
12 respect to the group or other enrollment unit for the
13 period (and, for purposes of a refund or additional
14 premium, the profitable or unprofitable experience shall
15 be calculated taking into account a pro rata share of the
16 Health Maintenance Organization's administrative and
17 marketing expenses, but shall not include any refund to be
18 made or additional premium to be paid pursuant to this
19 subsection (f)). The Health Maintenance Organization and
20 the group or enrollment unit may agree that the profitable
21 or unprofitable experience may be calculated taking into
22 account the refund period and the immediately preceding 2
23 plan years.

24 The Health Maintenance Organization shall include a
25 statement in the evidence of coverage issued to each enrollee
26 describing the possibility of a refund or additional premium,

1 and upon request of any group or enrollment unit, provide to
2 the group or enrollment unit a description of the method used
3 to calculate (1) the Health Maintenance Organization's
4 profitable experience with respect to the group or enrollment
5 unit and the resulting refund to the group or enrollment unit
6 or (2) the Health Maintenance Organization's unprofitable
7 experience with respect to the group or enrollment unit and the
8 resulting additional premium to be paid by the group or
9 enrollment unit.

10 In no event shall the Illinois Health Maintenance
11 Organization Guaranty Association be liable to pay any
12 contractual obligation of an insolvent organization to pay any
13 refund authorized under this Section.

14 (g) Rulemaking authority to implement Public Act 95-1045,
15 if any, is conditioned on the rules being adopted in accordance
16 with all provisions of the Illinois Administrative Procedure
17 Act and all rules and procedures of the Joint Committee on
18 Administrative Rules; any purported rule not so adopted, for
19 whatever reason, is unauthorized.

20 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437,
21 eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805,
22 eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14;
23 98-1091, eff. 1-1-15.)

24 Section 35. The Limited Health Service Organization Act is
25 amended by changing Section 4003 as follows:

1 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

2 Sec. 4003. Illinois Insurance Code provisions. Limited
3 health service organizations shall be subject to the provisions
4 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
5 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
6 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 355c, 356v,
7 356z.10, 356z.21, 356z.22, 368a, 401, 401.1, 402, 403, 403A,
8 408, 408.2, 409, 412, 444, and 444.1 and Articles IIA, VIII
9 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the
10 Illinois Insurance Code. For purposes of the Illinois Insurance
11 Code, except for Sections 444 and 444.1 and Articles XIII and
12 XIII 1/2, limited health service organizations in the following
13 categories are deemed to be domestic companies:

14 (1) a corporation under the laws of this State; or

15 (2) a corporation organized under the laws of another
16 state, 30% of more of the enrollees of which are residents
17 of this State, except a corporation subject to
18 substantially the same requirements in its state of
19 organization as is a domestic company under Article VIII
20 1/2 of the Illinois Insurance Code.

21 (Source: P.A. 97-486, eff. 1-1-12; 97-592, 1-1-12; 97-805, eff.
22 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091,
23 eff. 1-1-15.)

24 Section 40. The Voluntary Health Services Plans Act is

1 amended by changing Section 10 as follows:

2 (215 ILCS 165/10) (from Ch. 32, par. 604)

3 Sec. 10. Application of Insurance Code provisions. Health
4 services plan corporations and all persons interested therein
5 or dealing therewith shall be subject to the provisions of
6 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
7 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 355c,
8 356g, 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x,
9 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
10 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
11 356z.19, 356z.21, 356z.22, 364.01, 367.2, 368a, 401, 401.1,
12 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7) and
13 (15) of Section 367 of the Illinois Insurance Code.

14 Rulemaking authority to implement Public Act 95-1045, if
15 any, is conditioned on the rules being adopted in accordance
16 with all provisions of the Illinois Administrative Procedure
17 Act and all rules and procedures of the Joint Committee on
18 Administrative Rules; any purported rule not so adopted, for
19 whatever reason, is unauthorized.

20 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-486,
21 eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813,
22 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)".